

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6595

BILL NUMBER: HB 2006

DATE PREPARED: Dec 28, 1998

BILL AMENDED:

SUBJECT: Eliminate short session.

FISCAL ANALYST: Diane Powers

PHONE NUMBER: 232-9853

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that the General Assembly shall adjourn on April 29 of each odd-numbered year until the speaker of the house and the president pro tempore of the senate jointly issue a call for the members to reconvene. The bill provides that a joint call to reconvene: (1) must be issued not later than the second Tuesday after the first Monday in November of an odd-numbered year; (2) may not reconvene the General Assembly before January 1 of the following even-numbered year; and (3) may be rescinded by joint action of the speaker and the president pro tempore. It provides that if the General Assembly reconvenes under a joint call, the General Assembly must adjourn sine die not later than March 14 following the date the General Assembly reconvenes. The bill also provides a procedure for sine die adjournment of the General Assembly if the speaker and the president pro tempore do not issue a joint call to reconvene. The bill abolishes the second regular (short) session of the General Assembly and makes conforming changes in other statutes.

Effective Date: July 1, 1999.

Explanation of State Expenditures: There could be a reduction of expenditures for the General Assembly if the second regular session is eliminated. Beginning January 1, 1999, legislators will receive \$112 per diem for every day they are in session or conducting legislative business and \$25 per diem for every day they are not in session. The amount of legislative business per diem is equivalent to the maximum daily amount allowable for subsistence expenses for federal employees while away from home as established in the Federal Register. This amount changes annually. The \$25 per diem reimbursement for non session days is established in P.L. 260-1997.

Based on the current rate of reimbursement, the net effect on expenditures would be a savings of \$87 per diem for each legislator. There could be approximately 71 days of a second regular session (assuming a January 4th, 2000 start date) for which 150 legislators would receive the higher rate of reimbursement. If the short session were eliminated, there would be a savings of approximately \$926,550 assuming the per diem

reimbursement remains the same. These savings would occur in the even number years beginning in 2000 and would be dependent on the current federal rate of reimbursement.

Legislators would still be entitled to the higher rate of reimbursement if they conduct legislative business during this time. These expenses will offset the net savings previously noted. This also assumes that no special session would be called to offset the reduction in expenditures.

There would also be a savings in mileage reimbursement. Legislators are entitled to travel reimbursement of mileage for one round-trip per week while they are in session. The round-trip mileage reimbursement for the members of the General Assembly have averaged approximately \$6,800 per week.

There could be a minimal reduction in staff costs for the House, Senate and the Legislative Services Agency if they did not have to employ session-only staff during a second regular session.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: General Assembly.

Local Agencies Affected:

Information Sources: Federal Register.